

[18 August, 2000]

RAJYA SABHA

Urea Units	1997-98	1998-99	1999-2000
EID PARRY	4826671	6497259	43137991
Total Other then Urea units	509708412	102653110	10204309
GRAND TOTAL	66000000000	747300000	86700000000

Performance of NFL

2799. SHRI NILOTPAL BASU : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) the profit, before and after tax, earned by the NFL, dividend and tax paid, its capacity utilization during last five years, year-wise;
- (b) the equity capital subscribed by Government and the budgetary support to the company, if any, and subsidy draws during the same period, year-wise;
- (c) the details of MOUs between Government and the NFL, if any, during the same period and the corresponding performance of the company;
- (d) how does the performance of NFL compare with similar private sector fertilizer companies; and
- (e) the reasons for strategic sale of the Company?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS): (a) and (b) Statement giving the requisite information is enclosed. (See below)

(c) NFL a profitable fertilizer company is required to sign a MOU with the Government on various performance parameters, which *inter-alia* comprise production, consumption efficiency, energy consumption, financial, value added per employees, safety hazard analysis, safety measures & their enforcement, R&D (expenditure) and HRD aspects. A copy of the MOU entered into by the company with the Government is placed on the Table of both the Houses of Parliament annually.

(d) NFL is a multi-unit fertilizer PSU having two comparatively recent gas based plants at Vijaipur (Madhya Pradesh) and three FO/LSHS based old plants at Panipat (Haryana), Nangal & Bhatinda (Punjab). The performance of fertilizer companies differ from Unit-to-unit and even from month-to-month depending upon the health and age of the plant, the feedstock used, the levels

of capacity utilisation, energy consumption, distance from the source of the feedstock/raw materials, cost of inputs, etc. These are reflected in the variations in the performance of five units being run by NFL itself. There is no private sector company which has a similar profile as that of NFL with relation to difference in feedstock, location, vintage of plants for meaningful comparison.

(e) Disinvestment of 51% of Government equity in NFL through strategic sale to a strategic buyer along with transfer of management control is in accordance with the policy of bringing down Government equity in all non-strategic PSUs to 26% or less.

Statement

(Rs./Lakhs)

	1995-96	1996-97	1997-98	1998-99	1999-2000	(Provisional)
(1) Profit Before Tax	11712	1024	13617	5836	3093	
(2) Profit After Tax	5406	1120	18901	4115	3489	
(3) Dividend Paid	4906	248	1080	3780	1234	
(4) Dividend Tax Paid	—	—	—	511123	—	
(5) Capacity Utilisation(%)	110.0	97.6	113.9	111.1	110.0	
(6) Equity Capital	49057.84	49057.84	49057.84	49057.84	49057.84	
(7) Budgetary Support	NIL	NIL	NIL	NIL	NIL	
(8) Subsidy (*)	50905	57651	103574	104133	115454	

(*) As per the Annual Accounts of NFL.

Revival of MSDPL

2800. SHRI W. ANGOU SINGH: Will the Minister CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have received a rehabilitation package from Manipur State Drugs and Pharmaceuticals Ltd.,

(b) whether it is a fact that Government have not released funds to this public sector unit for production of life-saving drugs; and